

STILL COOL BUGS TIMBER SALE

NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The Still Cool Bugs Timber Sale is located within Section 10, T14N-R8W on the State's Lincoln Office of the Clearwater Unit. Approximately 4,387 tons, consisting primarily of lodgepole pine, Douglas-fir, and spruce sawlogs are offered for sale.

Sealed bids will be opened at the Department of Natural Resources & Conservation, 2705 Spurgin Road, Missoula, Montana on **October 29, 2007 at 2:00 p.m.** Bids may be hand delivered or mailed and will be accepted any time prior to the bid opening. **DNRC recommends that bidders contact the Trust Land Management Division (406-542-4300) prior to the bid opening to ensure that your bid has been received.** Bids must be accompanied by a deposit of **\$4,717.00**, representing 5% of the minimum bid of the sale in cashier's check, certified check, bank money order or bank draft to be applied to the stumpage for the successful bidder. Bid bonds will be accepted and, for the successful bidder, will be closed upon execution of the Timber Sale Contract and Timber Sale Bond.

The sale will be awarded to the highest responsible bidder. If the successful bidder is unable to execute the contract within **15** calendar days from the date the sale is awarded, the bid deposit will be retained by the Department as liquidated damages. The right is reserved to reject any or all bids.

Prospective bidders can obtain the sale prospectus, sale contract and bid forms from the Department of Natural Resources & Conservation, Trust Land Management Division, in Missoula (406-542-4300), the Southwestern Land Office, in Missoula (406-542-4200), or the Lincoln Field Office, Lincoln, MT (406-362-4999).

Visit our website at <http://www.dnrc.mt.gov> Online Services for upcoming sales and bid results.

/s/ David A. Groeschl, Chief
Forest Management Bureau
Trust Land Mgmt Division

Publication Dates: October 17 and 24, 2007

TIMBER SALE PROSPECTUS
MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Timber Sale Name: Still Cool Bugs			
Timber Sale Location: Section 10, T14N-R8W			
For specific sale information, contact: Neil Simpson			
Phone	406-362-4999	Lincoln Field Office of the Clearwater Unit	
For copies of the Timber Sale Contract and bid forms, contact:			
Phone	406-542-4300	Forest Management Bureau	DNRC Missoula Office
Phone	406-542-4200	Bob Storer	Southwestern Land Office

General Bidding Information

1. Bids must be submitted on standard Department of Natural Resources & Conservation (Dept) bid forms.
2. Timber will be sold to the highest responsible bidder; however, the Dept reserves the right to reject any or all bids.
3. The Dept recommends that bidders contact the Forest Management Bureau, Trust Land Management Division (406-542-4300) prior to the bid opening to ensure that your bid has been received.
4. A **Bid Guarantee** must accompany all bids and must be in the form of cash, cashiers check, certified check, money order, bank draft, surety bond or irrevocable letter of credit.
5. The Purchaser must submit a **Performance Bond** to the Dept within a maximum of **15** days of notification of sale award. The bond amount will be, at a minimum, 20% of the total bid value of the sale. The performance bond may be in the form of cash, irrevocable letter of credit, surety bond or certificate of deposit. The performance bond must be maintained separately from other payments for the duration of the sale contract. See the Timber Sale Contract for additional information.
6. The Purchaser must submit an **Advance Stumpage Payment** prior to cutting any timber. The amount of the advance stumpage payment will be based on the expected harvest rate and the bid value of the stumpage. The advance stumpage payment may be in the form of cash, irrevocable letter of credit, payment bond or certificate of deposit.
7. At rates specified in the Contract, the Purchaser will pay **Forest Improvement Fees** on all sawlog volume. All applicable **Road Use and/or Maintenance fees** will also be paid by the Purchaser in addition to stumpage payments.
8. This sale is being sold based on the gross weight of all species. Minimum price and bid price are on a per ton basis. Unless specified, the price applies to all species, green and dead. Price may vary by product. Billing will be based on gross weight. A weight ticket from a certified scale is required for each load hauled, regardless of product type.
9. The Dept has estimated the net scale merchantable sawlog volume to be available for purchase under this contract. Other products may be part of this sale. All delivered wood will be weighed and billed at per ton bid rates. The Dept recognizes that a percentage of delivered wood may not meet the log manufacturing and recovery standards of the timber sale contract. The actual percentage will vary based on the log manufacturing and recovery specifications of the purchaser and tree conditions in the sale area. The actual delivered weight may vary, resulting in an overrun or under-run of the estimated tonnage. The Dept strongly recommends that bidders evaluate these effects before bidding.
10. The Dept does not conduct detailed road appraisals. All appraised costs are gross estimates or averages, provided only to show the relative amount of work required, and not the true market value. The Dept strongly recommends that bidders make their own estimates based on contract requirements. Cost estimates provided are not guaranteed.
11. Bidders are encouraged to examine the complete Timber Sale Package and Sale Area prior to bidding. Additional information is available at the phone numbers shown above.
12. Estimates for sale volume, species percents, defect, product class, etc. provided in this prospectus and volume estimates listed in the sale contract are not guaranteed.
13. This prospectus is provided for information purposes only. If the prospectus is in error or contradicts the Timber Sale Contract, the contract governs.
14. **Pulp Log and Biomass Bids** – When a bid is submitted for pulp logs and/or biomass, the bids will be considered as part of the total bid and the amount bid will be added to other bid items to determine the total bid price. This total bid price will be used when determining the successful bidder. If a bid price is submitted and the bidder is awarded the sale, the removal of these products is mandatory.

TABLE 1: Summary of Sale Specifications

Sale Data			
158	Net Sale Area (acres)	.67	Miles of road construction
10/15/2008	Contract ending date	.60	Miles of road recondition
0	Cable logging required (% of volume)	.89	Miles of road reclamation or abandonment
Operating Season: Roads October 29 – November 30 Harvest December 1 – February 28 and June 15 – September 1			
Charges and Appraised Costs			
\$ 4,717.00	Bid Guarantee (total \$)		
20% of bid value	Performance Bond (total \$)		
\$0.00	Collected Road Maintenance And Road Use Charges (\$ per ton)		
\$3.77	Collected Forest Improvement Fee (\$ per ton) Concurrent with stumpage payments		
N/A	Quarterly Installment of Forest Improvement Payments (\$ per payment, first 5 payments)		
\$5.28	Road Development Costs - Appraised Purchaser-Do (total \$)		
\$0.74	Road Maintenance Costs - Appraised Purchaser-Do (\$ per ton)		
\$0.76	Slash Disposal Costs - Appraised Purchaser-Do (\$ per ton)		
\$0.00	Timber Stand Improvement Costs - Appraised Purchaser-Do (\$ per ton)		

TABLE 2: Timber Cruise Data and Minimum Bids

SPECIES	PP	DF	WL	LP	ES	WF	CE	Pulp, Post and Pole	TOTAL or AVE
Minimum Acceptable Bid									\$21.50/ton
Pounds per cubic foot		69.1		55.6	67.3			47.6	57.5
Contract Tons		946*		3336*	105*			276	4,663
Gross MBF (Scribner 5" top DIB)		208		688	22.0			N/A	918
%Cull and Breakage		32		18	27			N/A	21
Net MBF		142		570	16.1			0.00	728
Average logs per MBF		21		40	20			N/A	35
Average DBH		16		9.9	16.9			9.3	
Average tons per acre harvested									27.8
Average MBF cut per acre on the timber sale									4.6
Range of cut trees per acre based on unit cruise									15-154
Calculated Sampling Error (<i>net</i> MBF): 15 %									
The total cruised volume will fall between 619 and 837 thousand net board feet in 9 out of 10 cruises									
Tons Per Thousand Board Feet Conversion Factor for sawlog material = 4387 net tons per 728 net MBF = 6.03 tons per MBF									

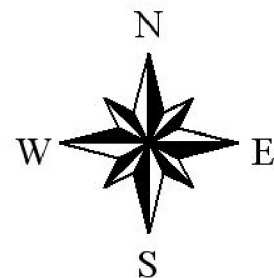
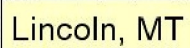
*sawlog volume only

TABLE 3: Unit Harvest Volume and Harvest Schedule					
Unit	Section	Acres	Estimated Net Tons (gross sawlog and other Material)	Estimated Net MBF (sawlog)	Removal Date
1	10	56	1,656	226	9/1/2008
2	10	18	399	66	9/1/2008
3	10	27	364	49	9/1/2008
4	10	3	71	10	9/1/2008
5	10	3	313	60	9/1/2008
6	10	35	1,083	165	9/1/2008
7	10	13	749	146	9/1/2008
8	10	3	28	6	9/1/2008
Total		158	4663	728	

Additional Sale Information:

1. Non-Sawlog Removal - This timber sale contains 7 units designated for required non-sawlog product removal. See sale area map for locations. The Purchaser shall be required to cut and remove non-sawlog lodgepole pine exceeding 20' in length to a 2.5" top diameter, inside bark. Volume of this material is estimated to be 276 tons.
2. Additional Douglas-fir beetle killed trees to be marked: After the Douglas-fir beetle flight of 2007 additional trees that have been infested by the beetle will be marked to cut in Unit 6. The DNRC has made no estimate of the amount of volume that will be added to the sale.
3. Purchaser will furnish and install two (2) Plum Creek style gates.
4. Purchaser will furnish and install nine (9) rubber water diverters (flappers), one (1) corrugated plastic pipe, and two (2) CMP culverts.
5. Purchaser will be responsible for grass seeding. Once following initial roadwork and again following final road maintenance, Two applications of herbicide on approximately 5.48 miles of road is also required. One application will be completed Spring 2008 and the other shall be completed following logging and road reclamation.
6. Purchaser shall be required to return skid, and pile slash as directed by the Forest Officer.
7. Purchaser shall be required to lop slash to within 18" of the ground as directed by the Forest Officer.
8. Roadwork, including new construction, reconditioning, and gate installation is required to be completed prior to initiating harvest activities. All road work must be completed by November 30, 2007.

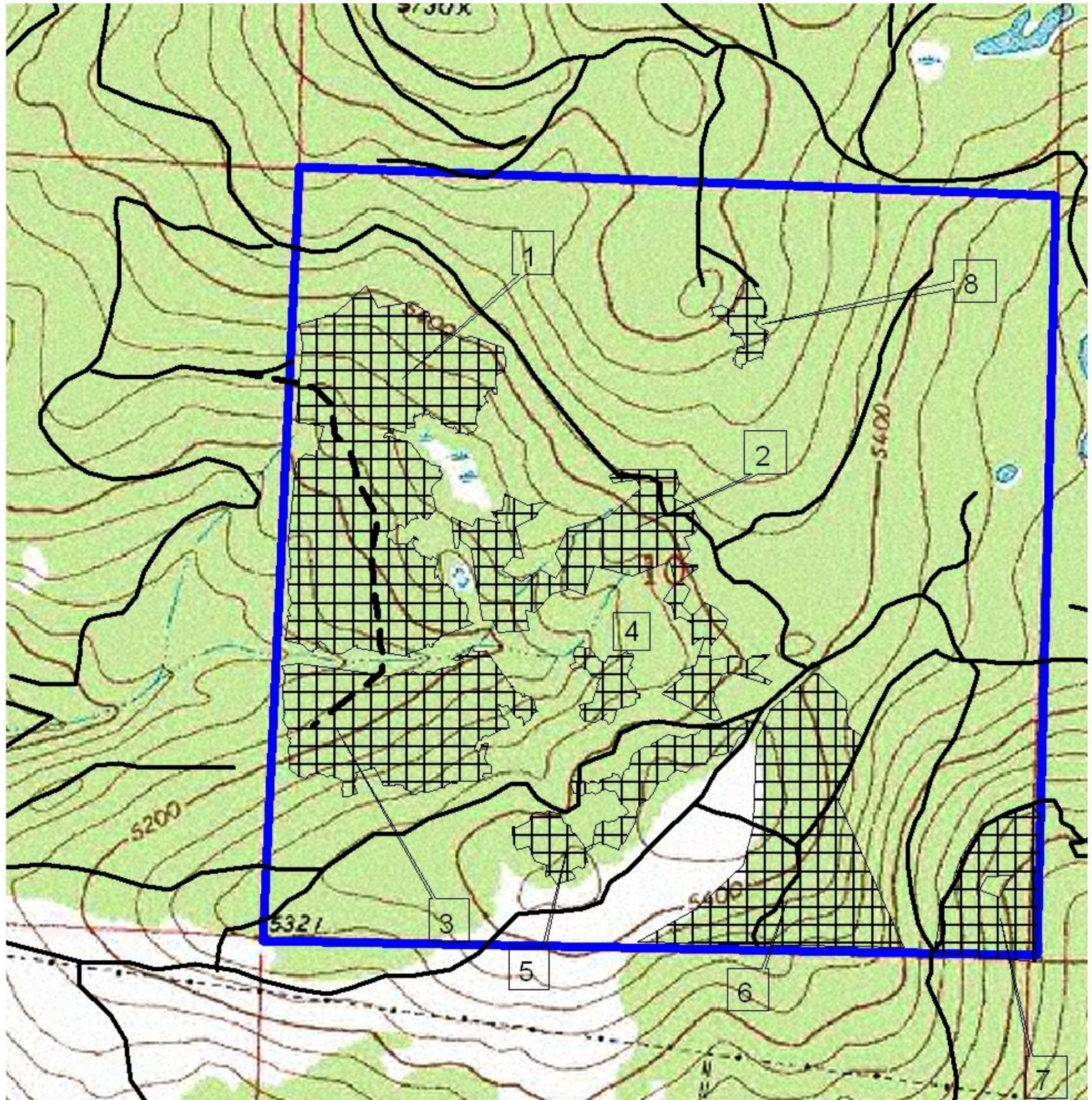
Section 10 T 14 N R 08 W



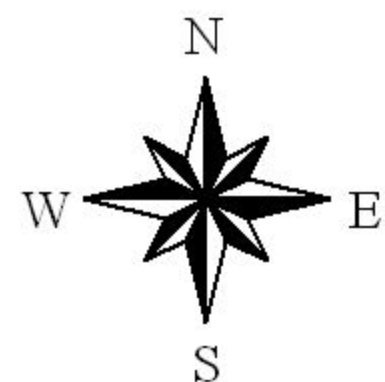
A horizontal scale bar with a black and white alternating pattern. It is labeled with '1' at the left end, '0' in the middle, '1' at the right end, and '2 Miles' at the far right end.

STILL COOL BUGS SALVAGE TIMBER SALE

Section 10 T14 N R08 W

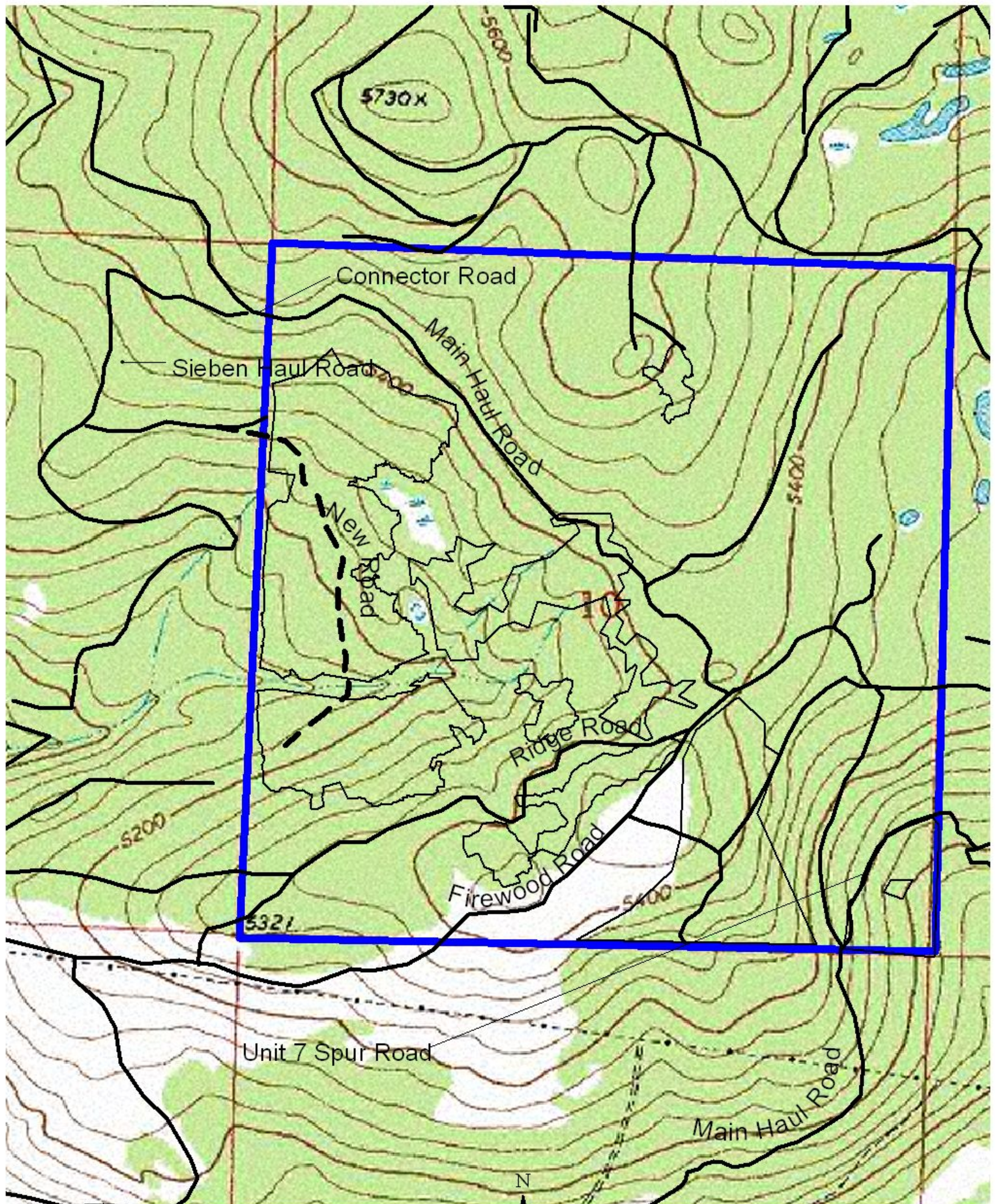


-  Harvest Units
-  Project Area Roads
-  Road Construction
-  Project Area



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Section 10 T14 N R08 W



- Harvest Units
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